Congress of the United States
House of Representatives
Washington, DC 20515

June 19, 2020

Alex M. Azar II
Secretary
U.S. Department of Health and Human Services
200 Independence Avenue SW
Washington, DC 20201

Dear Secretary Azar,

We write to express our concern about the agency's decision to allocate aid from the *CARES Act Provider Relief Fund* in a way that so far has neglected to provide much needed funding to free clinics, charitable clinics, and other providers that serve uninsured patients. We urge you to take into consideration the unique needs of these providers in future disbursements from the Fund, and as you administer the allocation to pay providers' claims for the testing and treatment of the uninsured.

The free and charitable clinics in Virginia are an essential part of the health care safety net, especially for the hundreds of thousands of Virginians who remain uninsured. Since the current public health emergency began, hundreds of thousands of our constituents have lost their jobs and their access to health insurance – meaning demand for care from free clinics is only likely to increase. Additionally, we've seen that African American, Hispanic, and low-income communities are suffering from disproportionately higher coronavirus infection rates and are experiencing worse outcomes than the general population. Free and charitable clinics have long served these marginalized communities and are therefore on the front lines of addressing these disparities.

Unfortunately, free clinics are not immune to the financial impact of the COVID-19 pandemic. Clinics have had to cancel their fundraising events while at the same time the slowdown in economic growth has caused a decline in charitable giving. The drop in state and local governments' revenues means that the clinics can no longer count on an annual discretionary appropriation from the legislature or their localities. Without financial relief, our free clinics will struggle to meet the health care needs of the increased number of uninsured patients they can expect to come through their doors in the coming months.

Recognizing that many of these concerns are shared across the broader health care system, Congress acted to extend emergency funding to providers and gave the Department of Health and Human Services (HHS) broad discretion in administering those funds. The *CARES Act* appropriated $100 billion to a Provider Relief Fund to reimburse eligible providers for health care-related expenses or lost revenues that are attributable to coronavirus. The *Paycheck Protection Program and Health Care Enhancement Act* supplemented that appropriation with an additional $75 billion. Recognizing that a lack of insurance should not be a barrier to testing, Congress also appropriated a combined $2 billion specifically to reimburse providers for testing uninsured individuals in the *Families First Coronavirus Response Act* and the *Paycheck Protection Program and Health Care Enhancement Act*.

We report that the initial distributions from the Provider Relief Fund did not reach free clinics on the front lines of caring for the uninsured and disproportionately affected communities. HHS based awards from the $50 billion

general distribution on the provider's share of 2018 net patient revenue. This methodology minimized awards to free clinics, which, by definition, have very little patient revenue. Other disbursements have focused on federally qualified health centers, rural health clinics, skilled nursing facilities, and certain hospitals that have been particularly impacted by COVID-19 – all of which have omitted free clinics.

In addition to the direct distributions, HHS announced an undefined allocation to reimburse providers for care provided to the uninsured. Despite the goal of this allocation, we are concerned that it too will be insufficient to meet free clinics' needs. Unlike awards from the other distributions, which were simply deposited in providers' bank accounts, this allocation requires providers to submit claims to HHS for reimbursement. Unfortunately, most free clinics, unlike larger and better-funded providers, do not have the administrative capacity to effectively document and file claims. Many have no experience in filing claims of any kind. Finally, the claims-filing approach assumes that providers can cover the cost of care while they wait for an undefined amount of time before getting a reimbursement. Many clinics do not have this level of financial flexibility.

Effective leveraging of the funds' finite resources to bolster the health care system is an essential part of your department's stewardship of the public's trust. As such, we encourage you to provide answers to the following questions:

1. How much of the $175 billion provider relief fund has HHS allocated for reimbursing uncompensated COVID-19 related care?
2. Does HHS plan to make public all claims paid to providers for testing and treatment of the uninsured in an easily searchable database?
3. Will HHS commit to making public all claims both paid and denied for testing and treatment of the uninsured?
4. Will HHS commit to creating a public facing interface to track the progress of claims processing so the public can monitor the processing speed of claims?
5. What technical assistance and outreach has HHS provided to free clinics and other providers with less administrative capacity?
6. What barriers exist to awarding grants directly to providers, like free clinics, that do not have a traditional billing relationship with HHS? What actions has HHS taken to work with states and industry representatives to address these issues and potentially push funds directly to these providers?

Thank you for your prompt attention to these important matters.

Sincerely,

Abigail D. Spanberger
Member of Congress

Robert J. Whitman
Member of Congress

/s/ Elaine Luria
Member of Congress

/s/ Gerald E. Connolly
Member of Congress

/s/ Jennifer Wexton
Member of Congress